

THE STATE OF TEXAS
COUNTY OF HARRIS

BID # LC-R-0769-039-20623

ORDINANCE # 05-0303

CONTRACT # 56813

I. PARTIES

A. Address

THIS AGREEMENT FOR AUTOMATIC TRANSMISSION REPAIR/EXCHANGE SERVICES ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a municipal corporation and **HWY 6 TRANSMISSION CENTER, INC.** ("Contractor or Vendor"), a corporation doing business in Texas.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City

City Purchasing Agent for Director
of Appropriate Department
City of Houston
P.O. Box 1562
Houston, Texas 77251

Contractor

Hwy 6 Transmission Center, Inc.
14522 A Auto Parkway
Houston, Texas 77083
Phone: 281-530-5402
Fax: 281-530-5467

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

TABLE OF CONTENTS

Page No.

I.	PARTIES.....	1
	A. Address.....	1
	B. Table of Contents	2
	C. Parts Incorporated.....	3
	D. Controlling Parts	3
	E. Definitions	3
	F. Signatures	4
II.	DUTIES OF CONTRACTOR.....	5
	A. Scope of Services	5
	B. Release	5
	C. Indemnification	5
	D. Indemnification Procedures	6
	E. Insurance.....	7
	F. Warranties.....	8
	G. Licenses and Permits.....	9
	H. Compliance with Equal Opportunity Ordinance.....	9
	I. MWBE Compliance.....	9
	J. Drug Abuse Detection and Deterrence.....	9
	K. Environmental Laws	10
	L. Contractor's Performance	11
	M. Payment of Subcontractors.....	11
III.	DUTIES OF CITY	13
	A. Payment Terms.....	13
	B. Taxes	13
	C. Method of Payment	13
	D. Method of Payment - Disputed Payments.....	13
	E. Limit of Appropriation	13
	F. Changes.....	14
IV.	TERM AND TERMINATION.....	17
	A. Contract Term	17
	B. Notice to Proceed	17
	C. Renewals	17
	D. Time Extensions.....	17
	E. Termination for Convenience by the City	17
	F. Termination for Cause by City	18
	G. Termination for Cause by Contractor.....	19
	H. Removal of Contractor Owned Equipment and Materials.....	19

V. MISCELLANEOUS	21
A. Independent Contractor	21
B. Force Majeure.....	21
C. Severability.....	21
D. Entire Agreement	22
E. Written Amendment	22
F. Applicable Laws	22
G. Notices	22
H. Non-Waiver.....	22
I. Inspections and Audits.....	23
J. Enforcement	23
K. Ambiguities.....	23
L. Survival.....	23
M. Parties In Interest.....	23
N. Successors and Assigns.....	24
O. Business Structure and Assignments	24
P. Remedies Cumulative.....	24

EXHIBITS

- A. DEFINITIONS**
- B. SCOPE OF SERVICES**
- C. EQUAL EMPLOYMENT OPPORTUNITY**
- D. MWBE SUBCONTRACT TERMS**
- E. DRUG POLICY COMPLIANCE AGREEMENT**
- F. CERTIFICATION OF NO SAFETY IMPACT POSITIONS**
- G. DRUG POLICY COMPLIANCE DECLARATION**
- H. FEES AND COSTS**

C. Parts Incorporated

The above described sections and exhibits are incorporated into this Agreement.

D. Controlling Parts

If a conflict among the sections or exhibits arises the Exhibits control over the Sections.

E. Definitions

Certain terms used in this Agreement are defined in Exhibit "A".

F. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):

HWY 6 TRANSMISSION CENTER, INC.

WITNESS (if not a corporation):

By: Steve Derbes

Name: STEVE DERBES

Title: Sales MANAGER

By: Ahmad

Name: Ahmad Abu Ahmad

Title: Owner

Federal Tax ID Number: 14812998103

ATTEST/SEAL:

[Signature]
City Secretary

CITY OF HOUSTON, TEXAS

Signed by:

Bill White [Signature]
Mayor

APPROVED:

[Signature]
City Purchasing Agent

COUNTERSIGNED BY:

[Signature]
[Signature]
City Controller

DATE COUNTERSIGNED:

4-7-05

This Contract has been reviewed as to form by the undersigned legal assistant and has been found to meet established Legal Department criteria. The Legal Department has not reviewed the content of these documents.

3/23/05
Date

[Signature]
Legal Assistant

II. DUTIES OF CONTRACTOR

A. Scope of Services

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, materials and supervision necessary to perform the services described in Exhibit "B."

B. RELEASE

CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

C. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "THE CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- (2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT

NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NO
AND

- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCT LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS CONTRACT AND FOR FOUR YEARS AFTER THE CONTRACT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$500,000.00 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

D. INDEMNIFICATION PROCEDURES

- (1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:
- (a) a description of the indemnification event in reasonable detail,
 - (b) the basis on which indemnification may be due, and
 - (c) the anticipated amount of the indemnified loss.

This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

- (a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether

or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

- (b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

E. Insurance

Contractor shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, in duplicate form, before beginning its performance under this Agreement. All policies except Professional Liability and Workers' Compensation must name the City as an additional insured. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide. Contractor shall maintain the following insurance coverages in the following amounts:

- (1) Commercial General Liability insurance including Contractual Liability insurance:
\$500,000 per occurrence; \$1,000,000 aggregate
- (2) Workers' Compensation including Broad Form All States endorsement:
Statutory amount
- (3) Automobile Liability insurance
\$1,000,000 combined single limit per occurrence
- (4) Employer's Liability
Bodily injury by accident \$100,000 (each accident)

Bodily injury by disease \$100,000 (policy limit)

Bodily injury by disease \$100,000 (each employee)

Defense costs are excluded from the face amount of the policy.

Aggregate Limits are per 12-month policy period unless otherwise indicated.

All insurance policies must require on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against the City, and that it shall give 30 days written notice to the City before they may be canceled, materially changed, or non-renewed. Within the 30 day period, Contractor shall provide other suitable policies in lieu of those about to be canceled, materially changed, or non-renewed so as to maintain in effect the required coverage. If Contractor does not comply with this requirement, the Director, at his or sole discretion, may :

- (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

F. Warranties

Contractor represents and warrants that it shall perform all work in a good and workmanlike manner, meeting the standards of quality prevailing in Harris County, Texas for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts and goods furnished by it, Contractor warrants:

- (1) that all items are free of defects in title, material, and workmanship,
- (2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,

(3) that each replacement item is new in accordance with original equipment manufacture specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new), and

(4) that no item or its use infringes any patent, copyright, or proprietary right.

G. Licenses and Permits

Contractor shall obtain and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation.

H. Compliance with Equal Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

I. MWBE Compliance

Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least **five percent (5%)** of the value of this Agreement to MWBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration in Houston, Texas if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Exhibit "D." If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, the subcontract must also be signed by the attorneys of the respective parties.

J. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited.

Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and

Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated in this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):

- (a) a copy of its drug-free workplace policy,
- (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "D," together with a written designation of all safety impact positions and,
- (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "E."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "F." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

K. Environmental Laws

Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TQEC"), and any other governmental agency with the authority to promulgate environmental rules and regulations (Environmental Laws).

Contractor shall promptly reimburse the City for any fines or penalties levied against the City because Contractor's failure to comply.

Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

L. Contractor's Performance

Contractor shall make citizen satisfaction a priority in providing services under this Agreement. Contractor shall train its employees to be customer service-oriented and to positively and politely interact with citizens when performing contract services. Contractor's employees shall be clean, courteous, efficient, and neat in appearance and committed to offering the highest quality of service to the public. If, in the Director's opinion, Contractor is not interacting in a positive and polite manner with citizens, he or she shall direct Contractor to take all remedial steps to conform to these standards.

M. Payment of Employees and Subcontractors

Contractor shall make timely payments in accordance with applicable state and federal law to all persons and entities supplying labor, materials or equipment for the performance of this Agreement including Contractor's employees.

Failure of Contractor to pay its employees as required by law shall constitute a default under this contract for which the Contractor and its surety shall be liable on Contractor's performance bond if Contractor fails to cure the default as provided under this Agreement.

Contractor shall defend and indemnify the City from any claims or liability arising out of Contractors fail to pay its subcontractors as required by law. Contractor shall submit disputes relating to payment of M/WI subcontractors to arbitration in the same manner as any other disputes under the M/WBE subcontract.

III. DUTIES OF CITY

A. Payment Terms

The City shall pay and Contractor shall accept fees at the unit prices provided in Exhibit H for all services rendered and the Deliverables furnished by Contractor. The fees must only be paid from Allocated Funds, as provided below.

Any quantities of services or Deliverables shown in any part of this contract or its exhibits are estimated only and are not any guarantee that the City will not purchase more or less of those services or Deliverables. The City will pay only for the services or Deliverables actually ordered and only at the unit prices set out.

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment

The City shall pay Contractor on the basis of invoices submitted by Contractor and approved by the Director, showing the specific tasks completed in the preceding month and the corresponding prices. The City shall make payments to Contractor at its address for notices within 30 days of receipt of an approved invoice.

D. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

E. Limit of Appropriation

- (1) The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.

- (2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$66,250.00 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:
- (3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor and where appropriated, approved by motion, or ordinance of City Council in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$_____, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Agreement, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$_____.

SIGNED:

(Signature of the City Controller)

City Controller of the City

REQUESTED:

(Signature of the Director)

Director

- (4) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services provided. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

F. Changes

- (1) At any time during the Agreement Term, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.
- (2) The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent will issue the Change Order in substantially the following form:

CHANGE ORDER

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]

Signed:

[Signature of City Purchasing Agent or Director upon written authorization by the City Purchasing Agent]

- (3) The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may issue more than one Change Order, subject to the following limitations:
 - (a) Council expressly authorizes the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent, to approve a Change Order of up to \$25,000. A Change Order of more than \$25,000 over the approved contract amount must be approved by the City Council.
 - (b) If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
 - (c) The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.
- (4) Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The City Purchasing Agent's or Director's decision regarding a time extension is final.
- (5) A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.
- (6) Change Orders are subject to the Allocated Funds provisions of this Agreement.

IV TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Countersignature Date and expires three (3) years after the date specified in the Notice to Proceed unless sooner terminated according to the terms of this Agreement.

B. Notice to Proceed

Contractor shall begin performance under this Agreement on the date specified in a Notice to Proceed from the City Purchasing Agent.

C. Renewals

If sufficient funds are allocated, the City Purchasing Agent, at his or her sole discretion, may make a request to Contractor to renew this Agreement for up to two additional 1-year option periods, upon at least 30 days' written notice before expiration of the initial term, or first option period, as applicable. Any renewal, pursuant to this Section, shall be upon the same terms and conditions of the Agreement.

D. Time Extensions

If Department requests an extension of time to complete its performance, then the City Purchasing Agent may, in his or her sole discretion, extend the time so long as the extension does not exceed 90 days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

E. Termination for Convenience by the City

The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice

showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section III unless the fees exceed the allocated funds remaining under this Agreement. TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

F. Termination for Cause by City

If Contractor defaults under this Agreement, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) a receiver or trustee is appointed for Contractor.

If a default occurs, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent, at his or her sole option, may extend the termination date to a later date. If the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent allows Contractor to cure the default and Contractor does so to the City Purchasing Agent's or Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then

the City Purchasing Agent or Director upon written notice to the City Purchasing Agent may terminate the Agreement on the termination date, at no further obligation of the City.

To effect final termination, the City Purchasing Agent or Director upon written notice to the City Purchasing Agent must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

G. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date.

The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

H. Removal of Contractor Owned Equipment and Materials

Upon expiration, or termination of this Agreement, Contractor is permitted ten (10) days within which to remove contractor-owned material and equipment from the City's premises. The City shall make such material and equipment readily available to Contractor. The time period may be extended upon approval by the Director. The City reserves the right to deny any extension of time.

V MISCELLANEOUS

A. Independent Contractor

Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by Force Majeure. Force Majeure means fires, floods, explosions, and other acts of God, war, terrorist acts, riots, court orders, and the acts of superior governmental or military authority.
2. This relief is not applicable unless the affected party does the following:
 - (a) uses due diligence to remove the Force Majeure as quickly as possible; and
 - (b) provides the other party with prompt written notice of the cause and its anticipated effect.
3. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance does not constitute a default or breach of this Agreement by the City.
4. If the Force Majeure continues for more than 30 days, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may terminate this Agreement by giving 30 days' written notice to Contractor. This termination is not a default or breach of this Agreement.

CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT AT THE TIME OF THE TERMINATION.

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), other terms of any kind exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance duly adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

H. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

I. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 3 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

J. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

K. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

L. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

M. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

N. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

O. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the City Purchasing Agent's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under Section 9.406 (c) of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the City Purchasing Agent's prior written consent.

P. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

EXHIBIT "A"

DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

"Agreement" means this contract between the Parties, including all exhibits, change orders, and any written amendments authorized by City Council and Contractor.

"City" is defined in the preamble of this Agreement and includes its successors and assigns.

"City Purchasing Agent" is defined as the person or duly authorized successor, authorized in writing to act for the City. The term includes, except as otherwise provided in this Contract, the authorized representative of the City Purchasing Agent acting within the limits of delegated authority.

"Contractor Administrator" means the representative of the Appropriate Department who is responsible for the administration for the Contract.

"Contract Award Notice" means the official notification substantiated by the Notice to Proceed issued by the City Purchasing Agent to the Contractor.

"Contract Charges" means charges that accrue during a given month as defined in Article III.

"Contract Term" is defined in Article IV.

"Contractor" is defined in the preamble of this Agreement and includes its successors and assigns.

"Countersignature Date" means the date this agreement is countersigned by the City Controller.

"Director" means the Directors of each of the Departments or the City Purchasing Agent for the City, or the person he or she designates.

"Effective Date" is defined as date contract is countersigned by the City Controller.

"Governing Body" means the Mayor and City Council of the City of Houston.

"Hazardous Materials" is defined in Article IIK (Environmental Laws).

"Notice to Proceed" means a written communication from the City Purchasing Agent to Contractor instructing Contractor to begin performance.

"Parties" means all the entities set out in the Preamble who are bound by this Agreement.

"Police/Fire Pursuit" means vehicles equipped with a P71 police package.

EXHIBIT "B"

1.0 Scope of Services:

The Contractor shall furnish all labor, tools, supplies, parts, materials, equipment, facilities, transportation and supervision necessary to provide automatic transmission repair/exchange services for various departments. The services shall include:

- 1.1 Pickup of the vehicles requiring transmission repair/exchange services and towing them to contractor repair facility.
- 1.2 Removing the transmission from the vehicle.
- 1.3 Repairing or exchanging the transmission, flushing or replacing coolers, rebuild torque converter, replace case if damage not due to abuse. In the event of case damage due to abuse, the Fleet Manager may at his/her discretion, supply a case to the vendor or authorize the vendor to add an additional charge for a case under section E4.
- 1.4 Installing the transmission in the vehicle
- 1.5 Performing road test
- 1.6 Delivering the vehicle back to location within City limits as specified by Fleet Manager.

2.0 Specifications:

All transmissions that are repaired or exchanged must be remanufactured or rebuilt. Valve bodies must be fully tested and electronic solenoids must be replaced with OEM certified components or their equals. OEM parts must be used unless approved by the department before work is done. A dynamometer testing report, or city approved electronic hand held or stationary scanner report print-out, must be furnished with every transmission repair/exchange. Upon request by the COH, a vendor must submit within 5 days, an example of the testing print-out or dynamometer report for the purpose of evaluation. All remanufactured or rebuilt transmissions must meet OEM specifications. Contractor will be held responsible for any damages caused to the vehicle due to mechanic incompetence or negligence and improper service techniques or installation. COH may exercise the option to perform said repairs and bill vendor.

3.0 Repair Technicians:

The Contractor's repair technicians should be ASE certified or have at least three (3) years of automotive maintenance and repair experience or other specialized work on equipment, small engines or be a graduate of an accredited automotive technical school or college and be able to provide proof to City if requested. Vendor is responsible for technician's certifications and must provide proof to City within 5 days from receipt of a request from the City to do so.

4.0 Replacement Parts:

The Contractor shall supply all original equipment manufactured (OEM) parts or their equal. Or equal parts must be of equal quality or better than the OEM part and **must be** approved by the department before substituted. Transmissions repaired or exchanged using equal parts without approval by the department's Fleet Manager will not be accepted by the City. Therefore, if unapproved or equal parts were used to repair or exchange a transmission, the contractor shall be required to replace those parts with OEM parts at no additional cost to the City. Transmissions that have been repaired or exchanged using OEM substitutes or "equal" parts without approval from the corresponding department will redo the job using OEM parts at their own expense.

5.0 Storage of Equipment/Vehicles:

The equipment must be stored in a secured storage area or a building and must be locked/secured at all times when not being serviced. The Contractor shall be responsible for replacing any and all missing/damaged apparatus from the equipment/vehicles. The City will replace any missing apparatus, including, but not limited to, lightbars, radios, etc., from the vehicles and bill the contractor.

6.0 Repair Estimate/Proposal

The contractor will complete an Automatic Transmission Repair Authorization Form (Exhibit BBB) and send it to the appropriate City department's Fleet Manager for approval before work is started. The City Department will send the approved authorization form back to the contractor authorizing the work. Work can then begin.

7.0 Completion of Repairs/Warranty Repairs:

The Contractor shall state on the authorization form the total turn around time for the repairs. Completion repairs/exchanges and/or warranty returns must not exceed five (5) business days from approval authorization form by the City unless the extension is approved.

- 7.1 The City's equipment shall have priority over other vehicle repairs and shall not be used as fill-ins.
- 7.2 Completion of repairs/exchanges or warranty returns exceeding the five business day turnaround time will have a \$50.00 liquidated damages charge for each day it exceeds the five business days turnaround time for repairs. This amount shall be deducted from the Contractor's invoice for services rendered. In cases where the completion date has exceeded the five business day turnaround time, the vendor may present in writing to the Fleet Manager, justification for the delay. If the COH agrees that the delay is caused by circumstances beyond the control of the vendor, the COH may at the discretion of the Fleet Manager, waive or adjust the \$50.00 per day penalty.
- 7.3 Contractor may not have more than 10% of the repairs come back for warranty repairs.

8.0 Equipment Acceptance:

Equipment repairs will be inspected at the time the equipment is delivered to Fleet Management for workmanship, appearance, proper functioning of all equipment and systems, and conformance to all other requirements of this specification. In the event deficiencies are detected, the equipment will be rejected and the Contractor shall be required to make the necessary repairs, adjustments, or replacements. Payment and/or the commencement of a discount period (if applicable) will not be made until the corrective action is made, the equipment re-inspected and accepted. If the equipment is accepted after delivery and rejected because of deficiencies, it shall be the Contractor's responsibility to make the necessary corrections per the warranty stipulations.

9.0 Examination of Cost Sheets:

The designated representative from the department reserves the right to examine the Contractor's parts/material cost invoices upon request.

10.0 Fleet:

The following vehicles will be initially involved in this service contract.

Vehicles	Production Years	Police	Fire	Solid Waste	Public Works
Buick Century	1999-2005	15			
Buick Regal	1999-2005	5			
Chevy Camaro	1994-1997	15			
Chevy Caprice	1993-1996		72		
Chevy Cavalier	1995			2	
Chevy Impala	2000-2005	110			
Chevy Lumina	1990-1994	10	33		
Chevy Lumina	1995-2005	130		2	
Chevy Malibu	1998-2005	10	48		
Chevy Monte Carlo	1995-2005	15			
Chevy Astro Van	1995-2005	25			
Chevy Suburban	1990-		2		5
Chevy Suburban	1994-2005	5	5	1	
Chevy Suburban – 4L8E w/ slip yoke	1998-2001		43		
Chevy Tahoe	1999-2005	20		1	20
Chevy Tahoe (Diesel)					
Chevy Tahoe (4-Wheel Drive)				1	

Chevy S-10 Truck	1995-2005	15				
Chevy/GMC ½ Ton Truck/Van	1990-1998	10				35
Chevy/GMC ½ Ton Truck/Van	1999-2005	55				
Chevy/GMC ¾ Ton Truck/Van	1990-2005	20	18			203
Chevy/GMC 1 Ton Truck/Van	1990-2005	5				75
Chevy/GMC 1 Ton Ambulance	1990-2005		101			
Chevy C-2500 (Diesel)	1995			5		
Chevy C-3500 (4x4)			7			
Dodge Dakota	1996-2005	15		1		
Dodge Intrepid	1996-2005	10				
Dodge Neon	1996 –2005	50		2		
Dodge Ram – Model 46RE	1999			2		
Dodge Stratus	2000-2005	100				
Dodge 2500 – Model Torque Flight	1997-2001		14			
Dodge ½ Ton Truck	1995-2005	30				
Dodge ½ Ton Van	1990-2005	5				
Dodge ¾ Ton Truck	1995-2005	25				27
Dodge ¾ Ton Van	1990-2005	25				
Dodge 1 Ton Truck	1990-2005	5	2			12
Dodge 1 Ton Van	1990-2005	5	1			6
Ford Aerostar	1993-2005	15				
Ford Crown Victoria (non-police)	1995-2005	25		1		
Ford Crown Victoria Police Pursuit	1995-2005	1630				
Ford Crown Victoria Fire Pursuit	1995-2005		40			
Ford Contour	1995-2005	10				
Ford Escape	2001-2005	10				
Ford Excursion	2004-2005	6	18			
Ford Excursion (4X4)	2000		1			
Ford Expedition	1995-2005	50				
Ford Expedition (4-Wheel Drive)				1		
Ford Explorer	1999-2005	15				
Ford Focus	2000-2005	15				
Ford Freestar	2004-2005	5				
Ford Mustang	1995-2005	10				
Ford Ranger	1994-2005	15		2		
Ford Taurus	1995-2005	750	94	4		
Ford Windstar	1998-2005	20	4			
Ford F150 ½ Ton Truck	1990-2005	35	14	3		
Ford F250 ¾ Ton Truck	1990-2005	5	3	4		99
Ford F350 1 Ton Truck (4x4)	1997-2002		4			
Ford F350 1 Ton Ambulance (Diesel)	2004		48			
Ford F350 1 Ton Truck	1990-2005	10				20
Ford E150 ½ Ton Van	1990-2005	5				
Ford E250 ¾ Ton Van	1990-2005	5	1			
Ford E350 1 Ton Van	1990-2005	30				
Ford E373 Step Van	1992		3			
Jeep Cherokee (4-Wheel Drive)	1993-2005	35		4		
Jeep Cherokee (Diesel)						
Lincoln Town Car	1998-2005	5				
Pontiac Grand Prix	2000-2005	15				
Pontiac Grand Am	2004-2005	10				

NOTE: Police/Fire Pursuit Vehicles (cars equipped with P71 police package) require more frequent repair/exchanges.

• **11.0 Warranty:**

A 24-month/75,000 mile warranty is required for **Fire Pursuit Cars and Ambulances.**

A 36-month/36,000 mile warranty is required for **Police Pursuit Cars and all other vehicles.**

12.0 Invoicing:

Invoices shall be submitted as follows:

The Contractor shall submit for payment in triplicate (one original and two copies) invoices that are on Contactor's company stationery with original signed by an authorized agent of the company. The invoice number shall not be duplicated during the contract period. On invoices that reflect remedial work where there is a charge for parts/material mark up, vendors will submit with their billing invoice, a copy of the original OEM invoice that reflects what the vendor paid for the OEM parts. Each invoice shall detail the following information:

- A. City contract number and work order number.
- B. Address of facility where services were performed.
- C. Beginning and ending date of service.
- D. Detailed description of service rendered.
- E. Itemized listing of new equipment, parts/part numbers, materials or components installed or repaired. If equipment and/or parts are reconditioned, the cost to recondition parts must be listed.
- F. Itemized labor hours and rates based on classification under Exhibit "G"
- G. Subtotal costs for parts and labor listed separately.
- H. Total invoice cost.
- I. A copy of the following will be attached to the invoice:
 - 1. The detailed job estimate with approval signature of the user department's authorized representative authorizing commencement of work.
 - 2. Copy of "Completion of Work" report with required acceptance signature of the user department's representative.
- J. Invoices must be submitted with the applicable copies of the Contractor's daily work orders attached, which must have the approval signature of the user department's Director or its designated representative.
- K. Invoices submitted for services performed resulting from Extra Work/Services shall require copies of the user department's representative written request attached to the original and each of the two (2) invoice copies.
- L. Invoices shall reference Contractor's contact person for invoice irregularities.
- M. Invoice to be submitted to the following locations:

City of Houston
Houston Police Dept.
Budget & Finance
1200 Travis
Houston, Texas 77002

City of Houston
Houston Fire Dept.
Accounts Payable
1205 Dart Street
Houston, Texas 77007

City of Houston
Solid Waste Mgmt.
Attn: Wylie Miller
P.O. Box 1562
Houston, Texas 77251

City of Houston
Public Works & Eng.
Service Contract Acct.
P.O. Box 61449
Houston, Texas 77208-1449

13.0 Additions & Deletions:

The City by written notice from the City Purchasing Agent to the Contractor, at anytime during the term of this contract, may add or delete like or similar vehicles and/or services to the list of vehicles to be performed. Any such written notice shall take effect on the date stated in the notice from the City. Equipment, locations and/or services added will be subject to the contract services and charges or rates as an item already specified in the fee schedule. In the event the additional vehicles and/or service is not identical to any item already under contract, the charges therefore will then be the Contractor's prevailing charges or rates for the equipment, locations and/or services classified in the fee schedule.

14.0 **Estimated Quantities Not Guaranteed:**

The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of automatic transmission repair/exchange services during the term of this contract. The quantities may vary depending upon the actual needs of the user Department. The quantities specified herein are good faith estimates of usage during the term of this contract. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing all the quantities specified herein.

15.0 **Warranty of Services:**

- a) *Definitions:* "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services, as partial or complete performance of the contract.

"Correction" as used in this clause, means the elimination of a defect.

- b) Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract.
- c) If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise correct or replace with similar services and charge to the Contractor the cost occasioned to the City thereby, or make an equitable adjustment in the contract price.

16.0 **Confidentiality Statement: (Exhibit BB)**

Once a Vendor is selected and awarded the bid, a Confidentiality Statement must be signed by the Vendor prior to rendering services. Proposer will not disclose or make available customer payment data to other entities or individuals except pursuant to valid legal process, without the prior written consent of the City. Proposer will treat such information as confidential and will not use said information other than in connection with its performance or its obligations.

EXHIBIT "BB"

Confidentiality Agreement
Automatic Transmission Repair/Exchange Services
Bid #LC-R-0769-039-20623

The vendor whom the City selects and awards a contract under this bid document shall be required to sign and comply with the following confidentiality requirements:

Contractor, its agents, employees, contractors, and subcontractors shall hold all City information, data and documents (collectively, "the Information") that they receive, or to which they have access, in strictest confidence.

Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the City Purchasing Agent or Director of the Appropriate Department authorizes it in writing. This requirement precludes Contractor from disclosing or disseminating information concerning specific City-owned items for which Contractor is to provide maintenance and repair services under this Agreement (Specific Item Information"), unless such disclosure or dissemination has been approved in advance by the City Purchasing Agent or Director of the Appropriate Department. Such Specific Item Information shall include, but shall not be limited to, the following:

- (1) information identifying specific City-owned items that is contained in any document created, obtained, or used by Contractor or its agents, employees, contractors, or subcontractors in the performance of the maintenance and repair services under this Agreement, including invoices, requisitions, and parts order forms,
- (2) any information concerning either the presence of specific City-owned items at Contractor's facilities or the transportation of specific City-owned items to or from Contractor's facilities, and
- (3) information concerning any City requirement that specific City-owned items be available for the City's use on a specific date or time, or that the maintenance or repair of specific City-owned items be completed according to a certain schedule or by a specific date or time.

Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors which bind them to the terms of this section.

Contractor

Exhibit "BBB"
Automatic Transmission Repair Estimate/Authorization Form
Contract Number _____

Request For Service (City Dept)

Date of Request by City Department: _____

Type and year model of vehicle: _____

Vehicle Shop (City Identification) Number: _____

Location of Vehicle: _____

Department Contact Name: _____

Department Contact Phone: _____ Fax: _____

Contractor Acknowledgement/Estimate

Date Request Received by Contractor: _____

Date vehicle received at Contractors Shop: _____

Estimated cost of transmission repair/exchange (per contract): _____

Towing Cost for Non-Transmission Related Problems: _____

Estimated Labor Cost Non-Transmission Problems: _____

Estimated Parts/Materials/Cost for Miscellaneous or Non-Transmission Problems: _____

Total Cost of Repairs: _____

Turn around time (after receipt of this Estimate/Proposal): _____

Contractor: _____

Signature of Contractor Representative: _____

City of Houston Acceptance of Estimate

Employee Signature: _____

Department: _____ Phone: _____ Fax: _____

Date of Approval: _____

Note: An approved copy of this Authorization Form must be attached to each invoice submitted by the Contractor for payment by the City of Houston.

EXHIBIT "C"

EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.
2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.
3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.
5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.
6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.
7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

EXHIBIT "D"

MWBE SUBCONTRACT TERMS

Contractor shall ensure that all subcontracts with MWBE subcontractors and suppliers are clearly labeled "**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT**" and contain the following terms:

1. _____ (MWBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Affirmative Action Director ("the Director").
2. _____ (MWBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform (1) audits of the books and records of the subcontractor, and (2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for such purpose for at least four (4) years after the end of its performance under this subcontract. Nothing in this provision shall affect the time for bringing a cause of action nor the applicable statute of limitations.
3. Within five business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of such agent.
4. As concluded by the parties to this subcontract, and as evidenced by their signature hereto, any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this subcontract shall, on the written request of one party served upon the other or upon notice by Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 -- "the Act"). Arbitration shall be conducted according to the following procedures:
 - a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within thirty (30) days or the matter may be referred to arbitration.
 - b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with American Arbitration Association on file in the Office of the City's Affirmative Action Division.
 - c. Upon submittal of the matter to arbitration each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.
 - d. In the event the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures as necessary to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.
 - e. All arbitrations shall be conducted in Houston, Texas, unless the parties agree to a different location.

EXHIBIT "E"

DRUG POLICY COMPLIANCE AGREEMENT

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

(Name of Company) (Contractor)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed:

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

Date

Contractor Name

Signature

Title

EXHIBIT "F"

**Contractor's Certification Of No Safety
Impact Positions In Performance Of A City Contract**

I, _____
(Name)(Print/Type) (Title)

as an owner or officer of _____ (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

Date

Contractor Name

Signature

Title

**CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF
CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES
FOR CONTRACTORS**

I, _____ as an owner or officer of
(NAME) (PRINT/TYPE)

(Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer than fifteen (15) employees during any 20-week period during a calendar year and also certify that Contractor has no employee safety impact positions as defined in 5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Safety impact position means a Contractor's employment position involving job duties that if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent threat to the personal health or safety of the employee, co-workers, and/or the public.

DATE

CONTRACTOR NAME

SIGNATURE

TITLE

EXHIBIT "G"
DRUG POLICY COMPLIANCE DECLARATION

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

(Name of Company) (Contractor or Vendor)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding 6 months from _____ to _____, 20____.

Initials A written Drug Free Workplace Policy has been implemented and employees notified.
The policy meets the criteria established by the Mayor's Amended Policy on Drug Detection and
Deterrence (Mayor's Policy).

Initials Written drug testing procedures have been implemented in conformity with the Mayor's
Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees
have been notified of such procedures.

Initials Collection/testing has been conducted in compliance with federal Health and Human
Services (HHS) guidelines.

Initials Appropriate safety impact positions have been designated for employee positions
performing on the City of Houston contract. The number of employees in safety impact positions
during this reporting period is _____.

Initials From _____ to _____ the following test has occurred
(Start date) (End date)

	Random	Reasonable Suspicion	Post Accident	Total
Number Employees Tested				
Number Employees Positive				
Percent Employees Positive				

Initials Any employee who tested positive was immediately removed from the City worksite
consistent with the Mayor's Policy and Executive Order No. 1-31.

Initials I affirm that falsification or failure to submit this declaration timely in accordance with
established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration
are within my personal knowledge and are true and correct.

(Date)

(Typed or Printed Name)

(Signature)

(Title)

EXHIBIT "H"

FEES AND COSTS

Note: Contractor must show that they have performed these services on the equipment specified. Unit prices include transportation to and from City Departmental Location and Vendor Location. Prices offered shall be Fixed Price for Turnkey Repair/Exchange per specification in Section B.

GENERAL MOTOR VEHICLES – All Years

Vehicle	Unit Price
Buick Century	\$ 900.00/each
Buick Regal	\$ 900.00/each
Chevy Camaro	\$ 900.00/each
Chevy Caprice	\$1,100.00/each
Chevy Cavalier	\$ 950.00/each
Chevy Impala	\$1,100.00/each
Chevy Lumina (1991-1998)	\$1,100.00/each
Chevy Lumina (1999-2005)	\$1,100.00/each
Chevy Malibu	\$1,100.00/each
Chevy Monte Carlo	\$ 900.00/each
Chevy Astro Van	\$ 950.00/each
Chevy Suburban	\$ 950.00/each
Chevy Suburban – 4L8E w/ slip yoke	\$1,250.00/each
Chevy Tahoe	\$1,100.00/each
Chevy Tahoe (Diesel)	\$1,100.00/each
Chevy Tahoe (4-Wheel Drive)	\$1,100.00/each
Chevy S-10 Truck	\$1,000.00/each
Chevy/GMC ½ Ton Truck/Van 1995-1998	\$ 950.00/each
Chevy/GMC ½ Ton Truck/Van 1990-2000	\$ 950.00/each
Chevy/GMC ¾ Ton Truck/Van	\$1,250.00/each
Chevy/GMC 1 Ton Truck/Van/Ambulance 24-month, 75,000 mile warranty	\$1,700.00/each
Chevy/GMC 1 Ton Truck/Van/Ambulance 36-month, 36,000 mile warranty	\$1,350.00/each
Chevy C-2500 (Diesel)	\$1,250.00/each
Chevy C-3500 (4 x 4)	\$1,450.00/each
Pontiac Grand Am	\$900.00/each
Pontiac Grand Prix	\$900.00/each

CHRYSLER/DODGE VEHICLES – ALL YEARS

Vehicle	Unit Price
Dodge Dakota	\$1,100.00/each
Dodge Intrepid	\$1,200.00/each
Dodge Neon	\$ 950.00/each
Dodge Ram – Model 46RE	\$1,250.00/each
Dodge Stratus	\$1,200.00/each
Dodge 2500 – Model Torque Flight	\$ 950.00/each
Dodge ½ Ton Truck	\$ 900.00/each
Dodge ½ Ton Van	\$ 900.00/each
Dodge ¾ Ton Truck	\$ 950.00/each
Dodge ¾ Ton Van	\$ 950.00/each
Dodge 1 Ton Truck	\$ 950.00/each
Dodge 1 Ton Van	\$ 950.00/each
Jeep Cherokee (4-Wheel Drive)	\$1,250.00/each

Ford Vehicles –All Years

Vehicle	Unit Price
Ford Aerostar	\$1,100.00/each
Ford Crown Victoria (non-police)	\$1,200.00/each
Ford Crown Victoria Fire Pursuit Vehicles 24-month, 75,000 mile warranty	\$1,700.00/each
Ford Crown Victoria Police Pursuit Vehicles 36-month, 36,000 mile warranty	\$1,295.00/each
Ford Contour	\$ 995.00/each
Ford Escape	\$ 995.00/each
Ford Excursion	\$1,250.00/each
Ford Excursion (4 x 4)	\$1,250.00/each
Ford Expedition	\$1,200.00/each
Ford Expedition (4-Wheel Drive)	\$1,200.00/each
Ford Explorer	\$1,100.00/each
Ford Focus	\$ 950.00/each
Ford Freestar	\$ 950.00/each
Ford Mustang	\$ 950.00/each
Ford Ranger	\$1,100.00/each
Ford Taurus	\$1,100.00/each
Ford Windstar	\$1,100.00/each
Ford F150 ½ Ton Truck	\$1,100.00/each
Ford F250 ¾ Ton Truck	\$1,250.00/each
Ford F350 1 Ton Truck	\$1,250.00/each
Ford F350 1 Ton Ambulance (Diesel) 24-month, 75,000 mile warranty	\$1,400.00/each
Ford E150 ½ Ton Van	\$1,150.00/each
Ford E250 ¾ Ton Van	\$1,250.00/each
Ford E350 1 Ton Van	\$1,400.00/each
Ford E373 Step Van	\$1,350.00/each
Lincoln Town Car	\$1,250.00/each

ALL Years - Towing or Non-Warranty and/or Non-Transmission Problem

Vehicle Towing/non-transmission related (round trip)	\$100.00/each
Standard Hourly Rate for Non-Transmission Repairs on Foreign Vehicles	\$57.14/hour
Standard Hourly Rate for Non-Transmission Repairs on Domestic Vehicles	\$57.14/hour
Parts and Material for remedial work (Pan, controller, flywheel, case (if approved) and other miscellaneous items)	COST